

State of Arizona
Senate
Forty-seventh Legislature
First Regular Session
2005

CHAPTER 253

SENATE BILL 1051

AN ACT

AMENDING SECTION 10-122, ARIZONA REVISED STATUTES; AMENDING TITLE 10, CHAPTER 1, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 10-122.01; AMENDING SECTIONS 10-401, 10-1506, 10-3122, 10-3401, 10-11506, 29-302, 29-602, 29-606, 29-607, 29-785, 29-851, 29-852 AND 29-1102, ARIZONA REVISED STATUTES; RELATING TO THE CORPORATION COMMISSION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 10-122, Arizona Revised Statutes, is amended to read:

10-122. Filing, service and copying fees; expedited report filing; advance monies

A. The commission shall collect and deposit, pursuant to sections 35-146 and 35-147, the following fees when the documents described in this subsection are delivered to it for filing or issuance:

<u>Document</u>	<u>Fee</u>
1. Articles of incorporation	\$50
2. Application for use of indistinguishable name	10
3. Application for reserved name	10
4. Notice of transfer of reserved name	10
5. Application for registered name	10
6. Application for renewal of registered name	10
7. Agent's statement of resignation	10
8. Amendment of articles of incorporation	25
9. Restatement of articles of incorporation with amendment of articles	25
10. Articles of merger or share exchange	100
11. Articles of dissolution	25
12. Articles of domestication	100
13. Articles of revocation of dissolution	25
14. Application for reinstatement following administrative dissolution, in addition to other fees and penalties due	100
15. Application for authority	150
16. Application for withdrawal	25
17. Annual report	45
18. Articles of correction	25
19. Application for certificate of good standing	10
20. Any other document required or permitted to be filed by chapters 1 through 15 of this title	25

B. The commission shall collect a fee of twenty-five dollars each time process is served on it under chapters 1 through 17 of this title. The party to a proceeding causing service of process is entitled to recover this fee as costs if the party prevails in the proceeding.

C. The commission shall charge and collect a reasonable fee for copying documents on request, provided the fee does not exceed the cost of providing the service as determined by the commission. The commission shall also charge a reasonable fee for certifying the copy of a filed document, provided the fee does not exceed the cost of providing the service as determined by the commission.

1 D. A penalty of one hundred dollars payable in addition to other fees
2 accrues and is payable if a foreign corporation fails to file an amendment,
3 restated articles that include an amendment, or articles of merger within
4 sixty days of the time of filing in the jurisdiction in which the corporation
5 is domiciled. THE PENALTY COLLECTED PURSUANT TO THIS SUBSECTION SHALL BE
6 DEPOSITED, PURSUANT TO SECTIONS 35-146 AND 35-147, IN THE STATE GENERAL FUND.

7 E. One-third of the filing fees for the annual report of domestic and
8 foreign corporations paid pursuant to subsection A, paragraph 17 of this
9 section shall be deposited in the Arizona arts trust fund established by
10 section 41-983.01.

11 ~~F. A public access fund is established consisting of the monies~~
12 ~~received pursuant to paragraphs 2, 3 and 4 of this subsection and section~~
13 ~~29-851, subsection B. Monies in the fund are subject to legislative~~
14 ~~appropriation. The following provisions apply to the fund:~~

15 ~~1. The commission shall administer the fund and spend monies in the~~
16 ~~fund to purchase, install and maintain an improved data processing system on~~
17 ~~the premises of the commission and for a part of the general administrative~~
18 ~~and legal expenses of the commission. The data processing system shall be~~
19 ~~designed to allow direct, on-line access by any person at a remote location~~
20 ~~to all public records that are filed with the commission pursuant to this~~
21 ~~title and title 29, chapter 4.~~

22 ~~2. F. The commission shall provide for and establish an expedited~~
23 ~~service for the filing of all documents and services provided pursuant to~~
24 ~~this title as follows:~~

25 ~~(a) 1. The expedited filing shall be a priority service to be~~
26 ~~completed as soon as possible after the documents are delivered to the~~
27 ~~commission.~~

28 ~~(b) 2. In addition to any other fees required by this section or any~~
29 ~~other law, the commission shall charge a fee of thirty-five dollars for~~
30 ~~expedited services, including those requested by fax.~~

31 ~~3. G. The commission may charge persons who access the commission's~~
32 ~~data processing system THAT IS MAINTAINED PURSUANT TO SECTION 10-122.01 from~~
33 ~~remote locations and persons requesting special computer generated printouts,~~
34 ~~reports and tapes a reasonable fee that does not exceed the cost of the time,~~
35 ~~equipment and personnel necessary to provide this service or product as~~
36 ~~determined by the commission.~~

37 ~~4. H. EXCEPT AS PROVIDED IN SECTION 10-122.01, SUBSECTION B,~~
38 ~~PARAGRAPH 3, in addition to any fee charged pursuant to this section, the~~
39 ~~commission may charge and collect the following fees to help defray the cost~~
40 ~~of the improved data processing system THAT IS MAINTAINED PURSUANT TO SECTION~~
41 ~~10-122.01:~~

42 ~~(a) 1. Filing articles of incorporation of a domestic corporation,~~
43 ~~ten dollars.~~

44 ~~(b) 2. Filing an application of a foreign corporation for authority~~
45 ~~to transact business in this state, twenty-five dollars.~~

1 5. I. All monies received pursuant to paragraphs 2, 3 and 4 of this
2 subsection and section 29-851, subsection B, SUBSECTIONS F, G AND H OF THIS
3 SECTION shall be deposited, pursuant to sections 35-146 and 35-147, in the
4 public access fund ESTABLISHED BY SECTION 10-122.01. The commission shall
5 use the monies deposited in the fund for the purposes provided in this
6 section. Fees charged pursuant to this section are exempt from section
7 39-121.03, subsection A, paragraph 3, relating to a charge for value of a
8 reproduction on the commercial market. Monies in the fund are exempt from
9 the provisions of section 35-190 relating to lapsing of appropriations,
10 except that any unencumbered monies in excess of two hundred thousand dollars
11 at the end of each fiscal year revert to the state general fund.

12 6. When sufficient monies have been collected pursuant to paragraphs
13 2, 3 and 4 of this subsection and section 29-851, subsection B, to pay for
14 the purchase and installation of the data processing system, the commission
15 shall not charge and collect the fees prescribed in paragraph 4 of this
16 subsection.

17 J. FEES CHARGED PURSUANT TO THIS SECTION ARE EXEMPT FROM SECTION
18 39-121.03, SUBSECTION A, PARAGRAPH 3.

19 K. ANY PERSON MAY ADVANCE MONIES TO THE COMMISSION TO PAY FEES
20 REQUIRED PURSUANT TO THIS SECTION FOR FUTURE FILINGS AND SERVICES. ALL
21 MONIES RECEIVED PURSUANT TO THIS SUBSECTION SHALL BE DEPOSITED, PURSUANT TO
22 SECTIONS 35-146 AND 35-147, IN THE MONEY ON DEPOSIT ACCOUNT IN THE PUBLIC
23 ACCESS FUND ESTABLISHED BY SECTION 10-122.01.

24 Sec. 2. Title 10, chapter 1, article 2, Arizona Revised Statutes, is
25 amended by adding section 10-122.01, to read:

26 10-122.01. Public access fund; purpose; exemption; money on
27 deposit account

28 A. A PUBLIC ACCESS FUND IS ESTABLISHED. THE COMMISSION SHALL
29 ADMINISTER THE FUND. THE FUND CONSISTS OF MONIES RECEIVED PURSUANT TO:

- 30 1. SECTION 10-122, SUBSECTIONS F, G, H AND K.
31 2. SECTION 10-3122, SUBSECTIONS E, F, G AND J.
32 3. SECTION 29-851, SUBSECTIONS C AND D.

33 B. EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION:

- 34 1. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.
35 2. THE COMMISSION SHALL SPEND MONIES IN THE FUND FOR A PART OF THE
36 GENERAL ADMINISTRATIVE AND LEGAL EXPENSES OF THE COMMISSION AND TO PURCHASE,
37 INSTALL AND MAINTAIN AN IMPROVED DATA PROCESSING SYSTEM ON THE PREMISES OF
38 THE COMMISSION. THE DATA PROCESSING SYSTEM SHALL BE DESIGNED TO ALLOW DIRECT
39 ON-LINE ACCESS BY ANY PERSON AT A REMOTE LOCATION TO ALL PUBLIC RECORDS THAT
40 ARE FILED WITH THE COMMISSION PURSUANT TO THIS TITLE AND TITLE 29, CHAPTER 4.

41 3. WHEN SUFFICIENT MONIES HAVE BEEN COLLECTED PURSUANT TO SECTION
42 10-122, SUBSECTIONS F, G AND H, SECTION 10-3122, SUBSECTIONS E, F AND G AND
43 SECTION 29-851, SUBSECTION C TO PAY FOR THE PURCHASE AND INSTALLATION OF THE
44 DATA PROCESSING SYSTEM, THE COMMISSION SHALL NOT CHARGE AND COLLECT THE FEES
45 PRESCRIBED IN SECTION 10-122, SUBSECTION H OR SECTION 10-3122, SUBSECTION G.

1 4. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190
2 RELATING TO LAPSING OF APPROPRIATIONS, EXCEPT THAT ANY UNENCUMBERED MONIES IN
3 EXCESS OF TWO HUNDRED THOUSAND DOLLARS AT THE END OF EACH FISCAL YEAR REVERT
4 TO THE STATE GENERAL FUND.

5 C. THE MONEY ON DEPOSIT ACCOUNT IS ESTABLISHED IN THE PUBLIC ACCESS
6 FUND AS A SEPARATE ACCOUNT CONSISTING OF MONIES RECEIVED PURSUANT TO SECTION
7 10-122, SUBSECTION K, SECTION 10-3122, SUBSECTION J AND SECTION 29-851,
8 SUBSECTION D. MONIES IN THE MONEY ON DEPOSIT ACCOUNT:

9 1. ARE HELD IN TRUST BY THE COMMISSION.

10 2. MAY BE WITHDRAWN BY THE COMMISSION ONLY:

11 (a) TO COVER FEES THAT ARE DUE PURSUANT TO THIS TITLE OR TITLE 29,
12 CHAPTER 4 ON DELIVERY OF DOCUMENTS FOR FILING OR ON A REQUEST FOR SERVICES BY
13 A PERSON WHO ADVANCED MONIES TO THE COMMISSION PURSUANT TO SECTION 10-122,
14 SUBSECTION K, SECTION 10-3122, SUBSECTION J OR SECTION 29-851, SUBSECTION D.

15 (b) TO REFUND THE MONIES ADVANCED IN SUBDIVISION (a) IF THE PERSON WHO
16 REQUESTED SERVICES PURSUANT TO SUBDIVISION (a) REQUESTS THE REFUND.

17 (c) FOR THE DISPOSITION OF UNCLAIMED PROPERTY PURSUANT TO TITLE 44,
18 CHAPTER 3.

19 3. ARE NOT SUBJECT TO EITHER:

20 (a) LEGISLATIVE APPROPRIATION.

21 (b) REVERSION TO THE STATE GENERAL FUND.

22 Sec. 3. Section 10-401, Arizona Revised Statutes, is amended to read:
23 10-401. Corporate name

24 A. A corporate name:

25 1. Shall contain the word "association", "bank", "company",
26 "corporation", "limited" or "incorporated" or an abbreviation of one of these
27 words or words or abbreviations of like import in another language.

28 2. Shall not contain language stating or implying that the corporation
29 is organized for a purpose other than that permitted by section 10-301 and
30 its articles of incorporation.

31 3. Notwithstanding paragraph 1 of this subsection, shall not include
32 the words "bank", "deposit", "trust" or "trust company" separately or in
33 combination to indicate or convey the idea that the corporation is engaged in
34 banking or trust business unless the corporation is to be and becomes
35 actively and substantially engaged in the banking or trust business or the
36 corporation is a holding company holding substantial interest in companies
37 actively and substantially engaged in the banking or trust business.

38 B. Except as authorized by subsections D- C and E- D of this section,
39 a corporate name shall be distinguishable from all of the following:

40 1. The corporate name of a corporation incorporated in this state or a
41 foreign corporation authorized to transact business in this state.

42 2. A corporate name reserved under section 10-402 or registered under
43 section 10-403.

44 3. A fictitious name adopted by a foreign corporation under section
45 10-1506.

1 4. The corporate name of a nonprofit corporation incorporated under
2 this title or a foreign nonprofit or not for profit corporation authorized to
3 conduct affairs in this state.

4 5. The partnership name of a limited partnership organized and
5 registered under the laws of this state or of a foreign limited partnership
6 authorized to transact business in this state.

7 6. The name of a limited liability company organized under title 29,
8 chapter 4 or a foreign limited liability company authorized to transact
9 business in this state.

10 7. A trade name registered pursuant to title 44, chapter 10, article
11 3.1.

12 8. The name of a registered limited liability partnership registered
13 under title 29, chapter 2, article 7 or a foreign registered limited
14 liability partnership authorized to transact business in this state.

15 ~~C. A corporate name is deemed distinguishable from a name described in~~
16 ~~subsection B of this section if it is not so identical to the name that in~~
17 ~~the judgment of the commission the corporate name is likely to mislead the~~
18 ~~public, unless the name applied for and the name described in subsection B of~~
19 ~~this section differ only in any of the following:~~

20 ~~1. The words used to indicate corporateness required under subsection~~
21 ~~A of this section.~~

22 ~~2. The use of symbols or words to denote a number within the names.~~

23 ~~3. The use of words as articles introducing the names.~~

24 ~~4. Variations in punctuation or spelling or in the order in which the~~
25 ~~words appear.~~

26 ~~D.~~ C. A corporation may apply to the commission for authorization to
27 use a name that is not distinguishable from one or more of the names
28 described in subsection B of this section. The commission shall authorize
29 use of the name applied for if either:

30 1. The other corporation consents to the use in writing and submits an
31 undertaking in a form satisfactory to the commission to change its name to a
32 name that is distinguishable from the name of the applying corporation.

33 2. The applicant delivers to the commission a certified copy of the
34 final judgment of a court of competent jurisdiction establishing the
35 applicant's right to use the name applied for in this state.

36 ~~E.~~ D. A corporation may use the name, including a fictitious name, of
37 another domestic or foreign corporation that is used in this state if the
38 other corporation is incorporated or authorized to transact business in this
39 state and the proposed user corporation either has:

40 1. Merged with the other corporation.

41 2. Been formed by reorganization of the other corporation.

42 3. Acquired all or substantially all of the assets, including the
43 corporate name, of the other corporation.

44 ~~F.~~ E. Chapters 1 through 17 of this title do not control the use of
45 fictitious names.

1 Sec. 4. Section 10-1506, Arizona Revised Statutes, is amended to read:
2 10-1506. Corporate name of foreign corporation

3 A. If the corporate name of a foreign corporation does not satisfy the
4 requirements of section 10-401, to obtain or maintain a grant of authority to
5 transact business in this state the foreign corporation:

6 1. Shall either:

7 (a) Add the word "association", "bank", "company", "corporation" or
8 "incorporated" or an abbreviation of one of these words to its corporate name
9 for use in this state.

10 (b) Use a fictitious name that satisfies the requirements of section
11 10-401 to transact business in this state if its real name is unavailable and
12 it delivers to the commission for filing a copy of the resolution of its
13 board of directors, certified by its secretary, adopting the fictitious name.

14 2. Shall not include language in its corporate name stating or
15 implying that the foreign corporation is organized for a purpose other than
16 that permitted by section 10-301 and its articles of incorporation.

17 3. Notwithstanding paragraph 1, subdivision (a) of this subsection,
18 shall not include the words "bank", "deposit", "trust" or "trust company"
19 separately or in combination in its corporate name to indicate or convey the
20 idea that the foreign corporation is engaged in banking or trust business
21 unless the foreign corporation is to be and becomes actively and
22 substantially engaged in the banking or trust business or the foreign
23 corporation is a holding company holding a substantial interest in companies
24 actively and substantially engaged in the banking or trust business.

25 B. Except as authorized by subsections ~~D~~— C and ~~E~~— D of this section,
26 the corporate name, including a fictitious name, of a foreign corporation
27 shall be distinguishable from:

28 1. The corporate name of a corporation incorporated in this state or a
29 foreign corporation authorized to transact business in this state.

30 2. A corporate name reserved under section 10-402 or registered under
31 section 10-403.

32 3. The fictitious name adopted by another foreign corporation under
33 this section.

34 4. The corporate name of a nonprofit corporation incorporated under
35 this title or a foreign nonprofit or not for profit corporation authorized to
36 conduct affairs in this state.

37 5. The partnership name of a limited partnership organized and
38 registered under the laws of this state or of a foreign limited partnership
39 authorized to transact business in this state.

40 6. The name of a limited liability company organized under title 29,
41 chapter 4 or a foreign limited liability company authorized to transact
42 business in this state.

43 7. A trade name registered pursuant to title 44, chapter 10, article
44 3.1.

8. The name of a registered limited liability partnership registered under title 29, chapter 2, article 7 or a foreign registered limited liability partnership authorized to transact business in this state.

~~C. A corporate name is deemed distinguishable from a name described in subsection B of this section if it is not so identical to the name that in the judgment of the commission the corporate name is likely to mislead the public, unless the name applied for and the name described in subsection B of this section differ only in any of the following:~~

~~1. The words used to indicate corporateness required under subsection A of this section.~~

~~2. The use of symbols or words to denote a number within the names.~~

~~3. The use of words as articles introducing names.~~

~~4. Variations in punctuation or spelling or in the order in which the words appear.~~

~~D. C.~~ Notwithstanding subsection B of this section, the commission shall authorize the use of a name that is not distinguishable under subsection B of this section from one or more of the names described in subsection B of this section if the applicant delivers to the commission a certified copy of a final judgment of a court of competent jurisdiction establishing the applicant's right to use the name applied for in this state.

~~E. D.~~ If a foreign corporation authorized to transact business in this state changes its corporate name to one that does not satisfy the requirements of section 10-401, it may not transact business in this state under the changed name until it adopts a name satisfying the requirements of section 10-401 and obtains new authority under section 10-1504.

Sec. 5. Section 10-3122, Arizona Revised Statutes, is amended to read:

10-3122. Filing, service and copying fees; expedited report
filing; advance monies

A. The commission shall collect and deposit, pursuant to sections 35-146 and 35-147, in the state general fund the following fees when the documents described in this subsection are delivered for filing or issuance:

Document	Fee
1. Articles of incorporation	\$ 30
2. Application for use of indistinguishable name	\$ 10
3. Application for reserved name	\$ 10
4. Notice of transfer of reserved name	\$ 10
5. Application for registered name	\$ 10
6. Application for renewal of registered name	\$ 10
7. Agent's statement of resignation	\$ 10
8. Amendment of articles of incorporation	\$ 25
9. Restatement of articles of incorporation	
with amendment of articles	\$ 25
10. Articles of merger or membership exchange	\$100
11. Articles of dissolution	\$ 25
12. Articles of domestication	\$100

1	13. Articles of revocation of dissolution	\$ 25
2	14. Application for reinstatement following	
3	administrative dissolution or revocation in	
4	addition to other fees and penalties due	\$ 25
5	15. Application for authority	\$150
6	16. Application for withdrawal	\$ 25
7	17. Annual report	\$ 10
8	18. Articles of correction	\$ 25
9	19. Application for certificate of good standing	\$ 10

10 B. The commission shall collect a fee of twenty-five dollars each time
 11 process is served on it under chapters 24 through 40 of this title. The
 12 party to a proceeding causing service of process is entitled to recover this
 13 fee as costs if the party prevails in the proceeding. The fee collected
 14 pursuant to this subsection shall be deposited, pursuant to sections 35-146
 15 and 35-147, in the state general fund.

16 C. The commission shall charge and collect fifty cents per page for
 17 copying documents on request. The commission shall also charge five dollars
 18 plus fifty cents per page for certifying the copy of a filed document. The
 19 fees collected pursuant to this subsection shall be deposited, pursuant to
 20 sections 35-146 and 35-147, in the state general fund.

21 D. A penalty of one hundred dollars payable in addition to other fees
 22 accrues and is payable if a foreign corporation fails to file an amendment,
 23 restated articles that include an amendment, or articles of merger within
 24 sixty days of the time of filing in the jurisdiction in which the corporation
 25 is domiciled. The penalty collected pursuant to this subsection shall be
 26 deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

27 ~~E. The commission shall deposit, pursuant to sections 35-146 and~~
 28 ~~35-147, the monies received pursuant to paragraphs 2, 3 and 4 of this~~
 29 ~~subsection in the public access fund established by section 10-122. Monies~~
 30 ~~in the fund are subject to legislative appropriation. The following~~
 31 ~~provisions apply to the fund:~~

32 ~~1. The commission shall administer the fund and spend monies in the~~
 33 ~~fund to purchase, install and maintain an improved data processing system on~~
 34 ~~the premises of the commission and for part of the general administrative and~~
 35 ~~legal expenses of the commission. The data processing system shall be~~
 36 ~~designed to allow direct, on-line access by any person at a remote location~~
 37 ~~to all public records that are filed with the commission pursuant to this~~
 38 ~~title.~~

39 ~~2. E. PURSUANT TO SECTION 10-122, SUBSECTION F, the commission shall~~
 40 ~~provide for and establish an expedited service for the filing of ALL~~
 41 ~~DOCUMENTS AND SERVICES PROVIDED PURSUANT TO CHAPTERS 24 THROUGH 40 OF THIS~~
 42 ~~TITLE. articles of incorporation, application of foreign corporations for~~
 43 ~~authority to conduct affairs in this state, amendments, articles of merger or~~
 44 ~~consolidation, statements of intent to dissolve, application of withdrawal of~~

1 ~~foreign corporations, annual reports and applications to reserve corporate~~
2 ~~name, as follows:~~

3 ~~(a) The expedited filing shall be a priority same day service effected~~
4 ~~in a fast and efficient manner.~~

5 ~~(b) The commission shall charge a fee for expedited services,~~
6 ~~including those requested by telefacsimile transmission. This fee is in~~
7 ~~addition to any other fees provided by law, including those in this~~
8 ~~section. The fee for expedited services shall be set by the commission to~~
9 ~~cover the cost of the service.~~

10 ~~3. F. The commission may charge persons who access the commission's~~
11 ~~data processing system THAT IS MAINTAINED PURSUANT TO SECTION 10-122.01 from~~
12 ~~remote locations and persons requesting special computer generated printouts,~~
13 ~~reports and tapes a reasonable fee that does not exceed the cost of the time,~~
14 ~~equipment and personnel necessary to provide this service or product as~~
15 ~~determined by the commission.~~

16 ~~4. G. EXCEPT AS PROVIDED IN SECTION 10-122.01, SUBSECTION B,~~
17 ~~PARAGRAPH 3, in addition to any fee charged pursuant to this section, the~~
18 ~~commission may charge and collect the following fees to help defray the cost~~
19 ~~of the improved data processing system THAT IS MAINTAINED PURSUANT TO SECTION~~
20 ~~10-122.01:~~

21 ~~(a) 1. Filing articles of incorporation of a domestic corporation,~~
22 ~~ten dollars.~~

23 ~~(b) 2. Filing an application of a foreign corporation for authority~~
24 ~~to transact business in this state, twenty-five dollars.~~

25 ~~5. H. All monies received pursuant to paragraphs 2, 3 and 4 of this~~
26 ~~subsection SUBSECTIONS E, F AND G OF THIS SECTION shall be deposited,~~
27 ~~pursuant to sections 35-146 and 35-147, in the public access fund ESTABLISHED~~
28 ~~BY SECTION 10-122.01. The commission shall use the monies deposited in the~~
29 ~~fund for the purposes provided in this section. Fees charged pursuant to~~
30 ~~this section are exempt from section 39-121.03, subsection A, paragraph 3,~~
31 ~~relating to a charge for value of a reproduction on the commercial~~
32 ~~market. Monies in the fund are exempt from the provisions of section 35-190~~
33 ~~relating to lapsing of appropriations, except that any unencumbered monies in~~
34 ~~excess of two hundred thousand dollars at the end of each fiscal year revert~~
35 ~~to the state general fund.~~

36 ~~6. When sufficient monies have been collected pursuant to paragraphs~~
37 ~~2, 3 and 4 of this subsection to pay for the purchase and installation of the~~
38 ~~data processing system, the commission shall not charge and collect the fees~~
39 ~~prescribed in paragraph 4 of this subsection.~~

40 ~~I. FEES CHARGED PURSUANT TO THIS SECTION ARE EXEMPT FROM SECTION~~
41 ~~39-121.03, SUBSECTION A, PARAGRAPH 3.~~

42 ~~J. ANY PERSON MAY ADVANCE MONIES TO THE COMMISSION TO PAY FEES~~
43 ~~REQUIRED PURSUANT TO THIS SECTION FOR FUTURE FILINGS AND SERVICES. ALL~~
44 ~~MONIES RECEIVED PURSUANT TO THIS SUBSECTION SHALL BE DEPOSITED, PURSUANT TO~~

1 SECTIONS 35-146 AND 35-147, IN THE MONEY ON DEPOSIT ACCOUNT IN THE PUBLIC
2 ACCESS FUND ESTABLISHED BY SECTION 10-122.01.

3 Sec. 6. Section 10-3401, Arizona Revised Statutes, is amended to read:

4 10-3401. Corporate name

5 A. A corporate name shall not contain language that states or implies
6 that the corporation is organized for a purpose other than the purpose
7 permitted by section 10-3301 and in its articles of incorporation.

8 B. Except as authorized by ~~subsections~~ SUBSECTION C and ~~Ø~~ of this
9 section, a corporate name must be distinguishable from all of the following:

10 1. The corporate name of a corporation incorporated in this state or a
11 foreign corporation authorized to conduct affairs in this state.

12 2. A corporate name reserved under section 10-402 or 10-3402 or
13 registered under section 10-403 or 10-3403.

14 3. A fictitious name of a foreign corporation under section 10-1506 or
15 10-11506.

16 4. The corporate name of a business corporation incorporated under
17 this title or a foreign business corporation authorized to transact business
18 in this state.

19 5. The partnership name of a limited partnership organized and
20 registered under the laws of this state or of a foreign limited partnership
21 authorized to transact business in this state.

22 6. The name of a limited liability company organized under title 29,
23 chapter 4 or a foreign limited liability company authorized to transact
24 business in this state.

25 7. A trade name registered pursuant to title 44, chapter 10, article
26 3.1.

27 8. The name of a registered limited liability partnership registered
28 under title 29, chapter 2, article 7 or a foreign registered limited
29 liability partnership authorized to transact business in this state.

30 ~~6. A corporate name is deemed distinguishable from a name described in~~
31 ~~subsection B of this section if it is not so identical to the name that in~~
32 ~~the judgment of the commission the corporate name is likely to mislead the~~
33 ~~public, unless the name applied for and the name described in subsection B of~~
34 ~~this section differ only in any of the following:~~

35 ~~1. The use of symbols or words to denote a number within the names.~~

36 ~~2. The use of words as articles introducing names.~~

37 ~~3. Variations in punctuation or spelling or in the order in which the~~
38 ~~words appear.~~

39 ~~Ø.~~ C. A corporation may apply to the commission for authorization to
40 use a name that is not distinguishable from one or more of the names
41 described in subsection B of this section. The commission shall authorize
42 use of the name applied for if either:

43 1. The other corporation consents to the use in writing and submits an
44 undertaking in a form satisfactory to the commission to change its name to a
45 name that is distinguishable from the name of the applying corporation.

1 2. The applicant delivers to the commission a certified copy of a
2 final judgment of a court of competent jurisdiction establishing the
3 applicant's right to use the name applied for in this state.

4 ~~E.~~ D. A corporation may use the name, including a fictitious name, of
5 another domestic or foreign business or nonprofit corporation that is used in
6 this state if the other corporation is incorporated or authorized to transact
7 business or conduct affairs in this state and the proposed user corporation
8 either has:

9 1. Merged with the other corporation.

10 2. Been formed by reorganization of the other corporation.

11 3. Acquired all or substantially all of the assets, including the
12 corporate name, of the other corporation.

13 ~~F.~~ E. Chapters 24 through 40 of this title do not control the use of
14 fictitious names.

15 Sec. 7. Section 10-11506, Arizona Revised Statutes, is amended to
16 read:

17 10-11506. Corporate name of foreign corporation

18 A. If the corporate name of a foreign corporation does not satisfy the
19 requirements of section 10-3401, to obtain or maintain a grant of authority
20 to conduct affairs in this state the foreign corporation shall use a
21 fictitious name that satisfies the requirements of section 10-3401 to conduct
22 affairs in this state if its real name is unavailable and it delivers to the
23 commission for filing a copy of the resolution of its board of directors,
24 certified by its secretary, adopting the fictitious name. The foreign
25 corporation shall not include language in its corporate name stating or
26 implying that the foreign corporation is organized for a purpose other than
27 that permitted by section 10-3301 and its articles of incorporation.

28 B. Except as authorized by ~~subsections~~ SUBSECTION C and ~~D~~ of this
29 section, the corporate name, including a fictitious name, of a foreign
30 corporation shall be distinguishable from:

31 1. The corporate name of a corporation incorporated under this title
32 or a foreign nonprofit, not for profit, business or close corporation
33 authorized to transact business or conduct affairs in this state.

34 2. A corporate name reserved under section 10-402 or 10-3402 or
35 registered under section 10-403 or 10-3403.

36 3. The fictitious name of another foreign business or nonprofit
37 corporation.

38 4. The partnership name of a limited partnership organized and
39 registered under the laws of this state or of a foreign limited partnership
40 authorized to transact business in this state.

41 5. The name of a limited liability company organized under title 29,
42 chapter 4 or a foreign limited liability company authorized to transact
43 business in this state.

1 6. The name of a registered limited liability partnership registered
2 under title 29, chapter 2, article 7 or a foreign registered limited
3 liability partnership authorized to transact business in this state.

4 7. A trade name registered pursuant to title 44, chapter 10, article
5 3.1.

6 ~~C. A corporate name is deemed distinguishable from a name described in~~
7 ~~subsection B of this section unless the name applied for and the name~~
8 ~~described in subsection B of this section differ only in any of the~~
9 ~~following:~~

10 ~~1. Words used to indicate corporateness.~~

11 ~~2. The use of symbols or words to denote a number within the names.~~

12 ~~3. The use of words as articles introducing names.~~

13 ~~4. Variations in punctuation or spelling or in the order in which the~~
14 ~~words appear.~~

15 ~~B.~~ C. A corporation may apply to the commission for authorization to
16 use a name that is not distinguishable from one or more of the names
17 described in subsection B of this section. The commission shall authorize
18 use of the name applied for if either:

19 1. The other corporation consents to the use in writing and submits an
20 undertaking in a form satisfactory to the commission to change its name to a
21 name that is distinguishable from the name of the applying corporation.

22 2. The applicant delivers to the commission a certified copy of a
23 final judgment of a court of competent jurisdiction establishing the
24 applicant's right to use the name applied for in this state.

25 ~~E.~~ D. A corporation may use the name, including a fictitious name, of
26 another domestic or foreign business or nonprofit corporation that is used in
27 this state if the other corporation is incorporated or authorized to transact
28 business or conduct affairs in this state and the proposed user corporation
29 either has:

30 1. Merged with the other corporation.

31 2. Been formed by reorganization of the other corporation.

32 3. Acquired all or substantially all of the assets, including the
33 corporate name, of the other corporation.

34 ~~F.~~ E. Chapters 24 through 40 of this title do not control the use of
35 fictitious names.

36 ~~G.~~ F. If a foreign corporation authorized to transact business in
37 this state changes its corporate name to one that does not satisfy the
38 requirements of section 10-3401, it may not transact business in this state
39 under the changed name until it adopts a name satisfying the requirements of
40 section 10-3401 and obtains new authority under section 10-11504.

41 Sec. 8. Section 29-302, Arizona Revised Statutes, is amended to read:

42 29-302. Name

43 The name of each limited partnership as set forth in its certificate of
44 limited partnership:

1 1. Shall contain the words "limited partnership" or the initials
2 "l.p." or "LP", in upper or lower case;

3 2. May not contain the name of a limited partner unless:

4 (a) It is also the name of a general partner or the corporate name of
5 a corporate general partner; or

6 (b) The business of the limited partnership had been carried on under
7 that name before the admission of that limited partner; and

8 3. ~~May not be the same as, or deceptively similar to,~~ MUST BE
9 DISTINGUISHABLE FROM the name of any LIMITED LIABILITY COMPANY, corporation
10 or limited partnership organized under the laws of this state or licensed or
11 registered as a foreign LIMITED LIABILITY COMPANY, corporation or limited
12 partnership in this state OR A NAME THE EXCLUSIVE RIGHT TO WHICH AT THE TIME,
13 IS RESERVED IN THE MANNER PROVIDED UNDER THE LAWS OF THIS STATE OR A TRADE
14 NAME REGISTERED PURSUANT TO TITLE 44, CHAPTER 10, ARTICLE 3.1. THIS
15 PARAGRAPH DOES NOT APPLY IF THE APPLICANT FILES WITH THE SECRETARY OF STATE
16 EITHER OF THE FOLLOWING:

17 (a) THE WRITTEN CONSENT OF THE HOLDER OF THE NAME TO USE THE SAME NAME
18 AND ONE OR MORE WORDS ARE ADDED OR DELETED TO MAKE THE NAME DISTINGUISHABLE
19 FROM THE OTHER NAME.

20 (b) A CERTIFIED COPY OF A FINAL DECREE OF A COURT OF COMPETENT
21 JURISDICTION ESTABLISHING THE PRIOR RIGHT OF THE APPLICANT TO USE THE NAME
22 APPLIED FOR IN THIS STATE.

23 Sec. 9. Section 29-602, Arizona Revised Statutes, is amended to read:

24 29-602. Limited liability company name

25 A. The name of a limited liability company as set forth in its
26 articles of organization shall:

27 1. Contain the words "limited liability company" or "limited company"
28 or the abbreviations "L.L.C.", "L.C.", "LLC" or "LC", in uppercase or
29 lowercase letters.

30 2. Not contain the words "association", "corporation" or
31 "incorporated" or an abbreviation of these words.

32 B. Except as authorized by subsections D- C and E- D of this section,
33 the name of the limited liability company shall be distinguishable from all
34 of the following:

35 1. The corporate name of a corporation incorporated in this state or a
36 foreign corporation authorized to transact business in this state.

37 2. A corporate name reserved under section 10-402 or registered under
38 section 10-403.

39 3. A fictitious name adopted by a foreign corporation under section
40 10-1506.

41 4. The corporate name of a nonprofit corporation incorporated in this
42 state or a foreign nonprofit or not for profit corporation authorized to
43 conduct affairs in this state.

1 5. The partnership name of a limited partnership organized and
2 registered under the laws of this state or of a foreign limited partnership
3 authorized to transact business in this state.

4 6. The name of a limited liability company organized in this state or
5 a foreign limited liability company authorized to transact business in this
6 state.

7 7. A trade name registered pursuant to title 44, chapter 10, article
8 3.1.

9 8. The name of a limited liability partnership organized in this state
10 or a foreign limited liability partnership authorized to transact business in
11 this state.

12 ~~6. A limited liability company name is deemed distinguishable from a~~
13 ~~name described in subsection b of this section if it is not so similar to the~~
14 ~~name that in the judgment of the commission the limited liability company~~
15 ~~name is likely to mislead the public, unless the name applied for and the~~
16 ~~name described in subsection B of this section differ only in any of the~~
17 ~~following:~~

18 ~~1. The words used to indicate limited liability required under~~
19 ~~subsection A of this section.~~

20 ~~2. The use of symbols or words to denote a number within the names.~~

21 ~~3. The use of words as articles introducing the names.~~

22 ~~4. Variations in punctuation or spelling or in the order in which the~~
23 ~~words appear.~~

24 ~~D.~~ C. A limited liability company may apply to the commission for
25 authorization to use a name that is not distinguishable from one or more of
26 the names described in subsection b of this section. The commission shall
27 authorize use of the name applied for if either:

28 1. The other entity consents to the use in writing and submits an
29 undertaking in a form satisfactory to the commission to change its name to a
30 name that is distinguishable from the name of the applying limited liability
31 company.

32 2. The applicant delivers to the commission a certified copy of the
33 final judgment of a court of competent jurisdiction that establishes the
34 applicant's right to use the name applied for in this state.

35 ~~E.~~ D. A limited liability company may use the name, including a
36 fictitious name, of another domestic or foreign entity that is used in this
37 state if the other entity is incorporated or authorized to transact business
38 in this state and the proposed user limited liability company that proposes
39 to use the name has either:

40 1. Merged with the other entity.

41 2. Been formed by reorganization of the other entity.

42 3. Acquired all or substantially all of the assets, including the
43 name, of the other entity.

44 ~~F.~~ E. This chapter does not control the use of fictitious names.

1 Sec. 10. Section 29-606, Arizona Revised Statutes, is amended to read:

2 29-606. Service of process on limited liability company

3 A. The statutory agent appointed by a limited liability company is an
4 agent of the limited liability company on whom process, notice or demand that
5 is required or permitted by law to be served on the limited liability company
6 may be served and that, when so served, is lawful personal service on the
7 limited liability company.

8 B. In lieu of service on the statutory agent, process, notice or
9 demand may be served either on a manager of a limited liability company if
10 management of the limited liability company is vested in one or more managers
11 or on a member of the limited liability company if management of the limited
12 liability company is reserved to the members. If a limited liability company
13 fails to appoint or maintain a statutory agent at the address shown on the
14 records of the commission, the commission is an agent of the limited
15 liability company on whom any process, notice or demand may be
16 served. Service on the commission of any process, notice or demand shall be
17 made by delivering to and leaving with the commission duplicate copies of the
18 process, notice or demand, and the commission shall immediately cause one of
19 the copies of the process, notice or demand to be forwarded by mail,
20 addressed to the limited liability company at its ~~registered office~~ KNOWN
21 PLACE OF BUSINESS. Service made on the commission is returnable pursuant to
22 applicable law relative to personal service on the limited liability
23 company. If service is made on the commission, whether under this chapter or
24 a rule of court, the limited liability company has thirty days to respond in
25 addition to the time otherwise provided by law.

26 C. The commission shall keep a permanent record of all processes,
27 notices and demands served on it under this section and shall record in the
28 record the time of the service and its action with reference to the service.

29 Sec. 11. Section 29-607, Arizona Revised Statutes, is amended to read:

30 29-607. Records to be kept; inspection rights of members

31 A. A limited liability company shall keep at its ~~registered office~~
32 KNOWN PLACE OF BUSINESS the following:

33 1. A current list of the full name and last known business, residence
34 or mailing address of each member.

35 2. A copy of the initial articles of organization and all amendments.

36 3. Copies of all written operating agreements and all amendments to
37 the agreements, including any prior written operating agreements no longer in
38 effect.

39 4. Copies of any writing described in section 29-702, subsection A.

40 5. Copies of the limited liability company's federal, state and local
41 income tax returns and reports, if any, for the three most recent years.

42 6. Copies of any financial statements of the limited liability company
43 for the three most recent years.

44 B. Each member may:

1 1. Inspect and copy the limited liability company records required to
2 be maintained by this section.

3 2. Inspect and copy other information regarding the affairs of the
4 limited liability company as is just and reasonable for any purpose
5 reasonably related to the member's interest.

6 Sec. 12. Section 29-785, Arizona Revised Statutes, is amended to read:

7 29-785. Involuntary judicial dissolution

8 A. On application by or for a member, the superior court in the county
9 in which the ~~registered office~~ KNOWN PLACE OF BUSINESS of the limited
10 liability company is located may decree dissolution of a limited liability
11 company on judicial determination of any of the following:

12 1. It is not reasonably practicable to carry on the limited liability
13 company business in conformity with an operating agreement.

14 2. Unless otherwise provided in an operating agreement, the members or
15 managers are deadlocked in the management of the limited liability company
16 and irreparable injury to the limited liability company is threatened or
17 being suffered or the business of the limited liability company cannot be
18 conducted to the advantage of the members generally because of the deadlock.

19 3. Unless otherwise provided in an operating agreement, the members or
20 managers of the limited liability company have acted or are acting in a
21 manner that is illegal or fraudulent with respect to the business of the
22 limited liability company.

23 4. Unless otherwise provided in an operating agreement, substantial
24 assets of the limited liability company are being wasted, misapplied or
25 diverted for purposes not related to the business of the limited liability
26 company.

27 B. The superior court has full power to wind up and liquidate the
28 assets and business of a limited liability company:

29 1. On application by a limited liability company after dissolution to
30 have its liquidation continued under the supervision of the court.

31 2. In an action filed by any member after the issuance of a judgment
32 of dissolution as provided in subsection A.

33 Sec. 13. Section 29-851, Arizona Revised Statutes, is amended to read:

34 29-851. Filing, service and copying fees; expedited filing and
35 services; advance monies

36 A. The commission shall ~~charge and collect in advance~~ COLLECT and
37 deposit, pursuant to sections 35-146 and 35-147, the following fees WHEN THE
38 FOLLOWING DOCUMENTS ARE DELIVERED TO THE COMMISSION FOR FILING OR ISSUANCE:

39 1. ~~For filing~~ The initial articles of organization, fifty dollars.

40 2. ~~For filing~~ An application for registration of a foreign limited
41 liability company, one hundred fifty dollars.

42 3. ~~For amending~~ AN AMENDMENT TO the articles of organization,
43 twenty-five dollars.

44 4. ~~For filing~~ Articles of termination and ~~issuing~~ a certificate of
45 termination, thirty-five dollars.

1 5. ~~For issuing~~ A certificate for any purpose not otherwise provided
2 for, ten dollars.

3 6. ~~For filing~~ A notice of winding up, twenty-five dollars.

4 7. ~~For filing~~ Articles of merger, fifty dollars.

5 8. ~~For furnishing~~ Written information on any limited liability
6 company, ten dollars.

7 9. ~~For furnishing~~ A copy of any document or instrument, five dollars
8 plus fifty cents per page.

9 10. ~~For accepting~~ An application for reservation of a name or for
10 filing a notice of the transfer or cancellation of any name reservation, ten
11 dollars.

12 11. Five dollars for ~~filing~~ a statement of change of address of one or
13 more of the following:

14 (a) Known place of business.

15 (b) Statutory agent.

16 (c) Manager.

17 (d) Member.

18 12. ~~For~~ Any service of notice, demand or process on the commission as
19 resident agent of a limited liability company, twenty-five dollars. This
20 amount may be recovered as taxable costs by the party to the suit, action or
21 proceeding causing the service to be made if the party prevails in the suit,
22 action or proceeding.

23 13. ~~For filing~~ Articles of correction, the fee prescribed in section
24 10-122, subsection A, paragraph 18.

25 14. ~~For~~ Application for reinstatement following administrative
26 dissolution, in addition to other fees and penalties due, the fee prescribed
27 in section 10-122, subsection A, paragraph 14.

28 B. The commission shall provide for and establish an expedited service
29 for the filing of all documents and services provided pursuant to this
30 chapter as follows:

31 1. The expedited filing shall be a priority service to be completed as
32 soon as possible after the documents are delivered to the commission.

33 2. In addition to any other fees required by this section or any other
34 law, the commission shall charge a fee of thirty-five dollars for expedited
35 services, including those requested by fax.

36 C. All monies received pursuant to subsection B of this section shall
37 be deposited, pursuant to sections 35-146 and 35-147, in the public access
38 fund established pursuant to BY section 10-122, subsection F 10-122.01.

39 D. ANY PERSON MAY ADVANCE MONIES TO THE COMMISSION TO PAY FEES
40 REQUIRED PURSUANT TO THIS SECTION FOR FUTURE FILINGS AND SERVICES. ALL
41 MONIES RECEIVED PURSUANT TO THIS SUBSECTION SHALL BE DEPOSITED, PURSUANT TO
42 SECTIONS 35-146 AND 35-147, IN THE MONEY ON DEPOSIT ACCOUNT IN THE PUBLIC
43 ACCESS FUND ESTABLISHED BY SECTION 10-122.01.

1 Sec. 14. Section 29-852, Arizona Revised Statutes, is amended to read:

2 29-852. Execution by judicial act

3 A person who is adversely affected by the failure or refusal of a
4 person to execute and file any articles or other document to be filed under
5 this chapter may petition the superior court in the county where the
6 ~~registered office~~ KNOWN PLACE OF BUSINESS of the limited liability company is
7 located, or if no such address is on file with the commission, in Maricopa
8 county, to direct the execution and filing of the articles or other
9 document. If the court finds that it is proper for the articles or other
10 document to be executed and filed and that there has been a failure or
11 refusal to execute and file the articles or other document, it shall order
12 the commission to file the articles or other document.

13 Sec. 15. Section 29-1102, Arizona Revised Statutes, is amended to
14 read:

15 29-1102. Name

16 The name of a limited liability partnership shall:

17 1. Contain the words "registered limited liability partnership",
18 "limited liability partnership", the abbreviation "R.L.L.P.", "L.L.P." or the
19 designation "RLLP" or "LLP", in uppercase or lowercase letters, except that
20 the name of a limited liability partnership that is also a limited
21 partnership under section 29-367 may contain the abbreviations "R.L.L.L.P.",
22 "L.L.L.P." or the designation "RLLLP" or "LLLP", in uppercase or lowercase
23 letters, in which case the requirements of section 29-302, paragraph 1 are
24 deemed satisfied.

25 2. Not contain the words "association", "corporation" or
26 "incorporated" or an abbreviation of these words.

27 3. ~~Not be the same as, or deceptively similar to,~~ BE DISTINGUISHABLE
28 FROM the name of a limited liability company, limited partnership or
29 corporation existing under the laws of this state or a foreign limited
30 liability company, limited partnership or corporation authorized to transact
31 business in this state, or a name the exclusive right to which, at the time,
32 is reserved in the manner provided under the laws of this state or a trade
33 name registered pursuant to title 44, chapter 10, article 3.1. This
34 paragraph does not apply if the applicant files with the secretary of state
35 either of the following:

36 (a) The written consent of the holder of the name to use the same ~~or a~~
37 ~~deceptively similar~~ name and one or more words are added or deleted to make
38 the name distinguishable from the other name.

39 (b) A certified copy of a final decree of a court of competent
40 jurisdiction establishing the prior right of the applicant to use the name
41 applied for in this state.


APPROVED BY THE GOVERNOR MAY 4, 2005.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 4, 2005.

Passed the House April 20, 20 05,

by the following vote: 58 Ayes,

0 Nays, 2 Not Voting




Speaker, of the House
Pro Tempore

Herman L. Moore
Chief Clerk of the House

Passed the Senate March 16, 20 05,

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting



President of the Senate

Charmian Ballington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

S.B. 1051

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

SENATE CONCURS IN HOUSE AMENDMENTS
AND FINAL PASSAGE

Passed the Senate April 28, 2005,

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

Ken Bennett
President of the Senate
Charmine Bellington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

28th day of April, 2005

at 4:00 o'clock P. M.

Wendee Uparra
Secretary to the Governor

Approved this 4 day of

May, 2005,

at 2:50 o'clock P. M.

Jan Brewer
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 4 day of May, 2005,

at 4:19 o'clock P. M.

Janice K. Brewer
Secretary of State

S.B. 1051